

**William F. Mahar, Inc**  
Government Affairs Consultant

## **SPRINGFIELD REPORT**

**January 2009**

### **A NEW YEAR**

As I begin my 25<sup>th</sup> spring session of the Illinois General Assembly, optimism abounds. It's like going off to camp when we were kids. With impeachment soon to be in our rear-view mirror, the members, lobbyists, a new Guv and other hangers-on renew their spirit of cooperation. We descend on Springfield with visions of all locked arm-in-arm, sitting by the campfire signing "cum Bye yah". By the first week of June, we will be sick of each other's company and anxious to get the "hell out of Dodge". In between, the work goes on.

The impeachment fiasco has taken attention away from the state's fiscal mess. This year will be extremely difficult. It is so bad that even *USA TODAY* commented on it. They said that this year's budget shortfall is expected to be \$2.9 billion. I believe that this is the tip of the iceberg. The General Assembly has shorted its share of payments to the five state pension systems by an amount that could be in the billions. They won't get away with that this year. With the stock market plummet, the overall pension assets have dropped by billions.

Another budget pressure is the incredible backlog in unpaid bills to vendors such as hospitals and other Medicare providers. I am no fiscal guru but this all adds up to me to be a \$5 or \$6B shortfall.

I do not see how this hole can be plugged without a major tax increase. A 1% increase in the income tax will net the state another \$3B. This comes at a time when our economy is in shambles, our unemployment in Illinois is near 7% and our President is advocating an enormous *tax decrease in Washington*. It will be a tough year to be a legislator!

**IMRF**

Speaking of bad pension news, IMRF (traditionally the best funded pension in Illinois) has told local governments to expect a whopping increase in their contributions for 2010. Their investment portfolio has shrunk by \$6B as opposed to an actuarial assumed return of \$1.7B. As most of our employees are part of this pension system, we will need to closely monitor the plan to increase the county's contribution. It will increase dramatically, exactly how much is still uncertain. It could be worse. Many small units of government such as fire protection districts and municipalities simply cannot pay the increase.

**METRO COUNTIES**

Metro Counties is an organization comprised of the 14 largest counties in Illinois, which I would guess contains 80% of the state's population. I work closely with them in Springfield and they are our most powerful ally. Metro, on behalf of its members, submitted a wish list for federal economic stimulus funding, Will's portion attached.

At the January meeting, Will County Executive Larry Walsh was re-elected Vice-President of the Board. At this meeting, each county is given the opportunity to present its legislative agenda for 2009. Legislative Committee Chairman Lee Goodson did an excellent job in relaying our concerns as well as our agenda, pending approval of the Legislative Committee.

The group is united in fighting any attempt by the state to invade our share of state revenues. State revenues are declining and costs are escalating, especially Medicare. The temptation to divert money dedicated to local governments will be high.

We also strongly support a capital bill with the inclusion of money for local roads. The last version had \$500 million, thanks to the efforts of Rep. Tom Cross. We hoped to increase this amount to leverage for more federal economic stimulus funding, which should be coming our way.

**METRO COUNTIES**  
**ECONOMIC STIMULUS PROPOSAL**  
January 2009

**WILL COUNTY**

**TRANSPORTATION PROJECTS**

Highway overlays	\$10 million
Caton Farm Road reconstruction	\$10 million
Laraway rd traffic signals	\$240,000
143 <sup>rd</sup> street reconstruction	\$3.4 million
Cedar rd improvements	\$1.5 million

**WATER & SEWER PROJECTS**

Ridgewood water and sewer improvement	\$19.5 million
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**PUBLIC WORKS**

Health Department/Community Health Cntr	\$855,000
County Nursing Home renovations	\$17.5 million

**PUBLIC SAFETY**

911 Command and Operations center	\$20 million
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**TOTAL \$83 MILLION**

**SPRINGFIELD REPORT**

July-August 2009

**AN EXCELLENT HEARING**

The hearing by the Legislative Committee to take testimony regarding SB1607, which authorizes quarries to accept "clean waste", was better than I anticipated. The Will County Board members attending included Legislative Committee Chairman Lee Goodson and members Deb Rozak, Steve Wilhelmi, Herb Brooks, and Laurie Smith. County Board Chairman Jim Moustis and Minority Leader Walter Adamic were joined by members Joe Babich, Brian Smith, Denise Winfrey, Ed Kusta, Diane Seiler, Jim Bilotta, Frank Stewart and Ann Dralle. A fantastic turn out!

Dean Olsen of the Will County Land Use Department set the tone by sharing his concerns that the legislation did not adequately protect underground water supply from contaminants. A water source that is contaminated is almost impossible to remediate.

The representative from the IEPA was unimpressive to me. He opened his presentation by making a case for the quarry industry and for his agency taking a neutral position on the bill. Deb Rozak hit the mark when she inquired if his agency is not obligated to protect the public. Both County Board Chairman Moustis and Minority Leader Adamic were forceful in insisting that this bill should be opposed due to lack of onsite testing and the need for more state and local control.

I thought that the engineer representing the quarry operators was thoughtful and conciliatory. He disagreed that the existing protections were not significant but he did agree to work with us to address our concerns. We will see.

I was particularly proud of how fairly the meeting was conducted by Chairman Goodson. Everyone who wanted to speak was allowed. Everyone was treated with dignity. During my nearly 25 years in

many meetings that were described as "work sessions". Little did I know that the meeting was set up for a roast and the meat being served was me. My drive home was consumed with picking the tar and feathers from my body.

Our plan for the future is to join Attorney General Madigan in drafting language that regulates indiscriminate dumping and yet provides on-site protection (liners) as well as more state and local control and testing of the waste stream. Chairman Goodson is adamant about being proactive on this issue.

### **BUDGET PASSES, MESS GROWS**

Two weeks after the official start of the 2010 fiscal year, the General Assembly and the Guv reached a deal to provide a state budget. With no tax increases included, the budget will result in massive cuts. It provides for lump sum appropriations which gives the Guv discretion to fund/cut as he sees fit. According to the constitution, this is the responsibility of the General Assembly.

In addition, it provides billions in short-term borrowing that will pay for the 2010 pension obligations and support human services grants. The State will borrow \$3.6 billion at about 3.5% interest over 5 years. Part of the reason we are in this mess is that the state has over-borrowed and over-spent during the past 6 plus years. If you count the debt service from all of this borrowing, add \$125 million in state employee wage increases, add increased pension payments, subtract the federal stimulus cash that will not be replenished, we are looking at a mountain of red ink.

The nightmare for all state providers is not the budget but rather cash flow. This budget pushes out over \$3 billion in provider payments to the *FISCAL YEAR 2011*. With state revenues continuing to decline, I believe that our deficit could pass \$15 billion by next year which puts us as second to California as the worst in the nation. Is it surprising that Attorney General Madigan took a pass on running for Governor?

If this year was bad theater, next year will be high drama.

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***SPRINGFIELD REPORT***

**November 2009**

**QUARRY BILL**

Chicago's effort to dump their construction waste in our quarries will not go away. I received an update from the Attorney General's Director of Legislative Affairs, Kathy Saltmarsh. The House sponsor of the bill, Majority Leader Barbara Flynn Currie, is getting pressure from Chicago to move the bill. She is from the city and is sensitive to pressure from the Mayor. I thought that an unsuccessful Olympic bid might lessen the need for the bill. I was wrong. The Chicago Building Commission needs this legislation because it will save the city a lot of \$\$ and therefore, becomes extremely important to the Mayor. Chicago is knee deep in red ink and is looking to cut costs wherever possible.

Director Saltmarsh has been asked by Rep. Currie to meet with the proponents. She told me that the city has "compromise" language for her to review. I do not expect any movement until next year. I suspect that this will be a focal point for our 2010 Legislative Agenda.

**VETO SESSION UPDATE**

The General Assembly met to take action on changes made by the Guv to bills passed during the spring session. There were only 61 bills to deal with. They had more than ample time to consider the \$800 million backlog in state payments to local health care providers under the Medicaid program. Nothing happened. Campaign finance reform was again a topic for consideration. Many members and the media would have liked to add spending caps as outlined in the Guv's Illinois Reform Commission report. It did not get done. All members are concerned that their capital projects are in limbo because state bonds have yet to be sold to fund the capital bill passed in the spring. The video gaming revenue stream is in flux because many counties are opting out. They will be desperate to get this fixed before the November election.

The most interesting part of the two week session came as a result of the blitz of the capitol by college students. The General Assembly adjourned in May without providing funding for the MAP program for 2010. The Monetary Award Program provides grants to qualified students of Illinois' community colleges as well as four year institutions. Thousands descended on Springfield to make their case to restore this funding. I met students from Joliet Junior College and gave them a crash course on lobbying. I told them that the Dem leadership had already agreed to pass a bill *authorizing* the restoration of the MAP grants for the spring semester 2010. The bad news was the state was broke and 6-8 months behind in payments. I advised them to demand they get their \$\$ by January so that they could make tuition payments and buy their textbooks. Needless to say, they left town with empty promises. The only up side to this was that their voices were heard, legislation was passed and they got a civics lesson in political science that they would not get in a classroom.

### **A SHOT FROM THE GUV**

The Guv amendatorily vetoed SB1662, a seemingly innocuous bill amending the election code. In an effort to wear the "champion of honest government hat", the Guv changed the legislation to authorize a *binding referendum* on local governments. It would allow a ballot initiative petitioned by any citizen that could adopt ethics ordinances for any local government. As you might expect, this made Chicago aldermen very nervous. The bill remains in the Senate.

### **SOMEBODY IS LISTENING**

Our effort to slow down the rail merger of Canadian National and the EJ&E has not gone unnoticed. Legislative Committee Chairman Lee Goodson has worked tirelessly with others in the region to bring awareness of the consequences of this merger. Congressman Melissa Bean introduced federal legislation HR3410 which requires the U.S. Surface Transportation Board to include the safety impact on communities when making their decision on mergers. She is joined as co-sponsors by Representatives Biggert, Roskam, Halvorson and others.

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***SPRINGFIELD REPORT***  
**February 2009**

**A GOOD MOOD**

The atmosphere amongst members of both chambers is terrific. Governor Quinn has privately met with all four caucuses where he was warmly received. They will need to foster this spirit of cooperation as they tackle the state's fiscal mess. The deficit for next year has been reported as being as high as \$9 billion. Key revenue sources including sales taxes, income taxes and investment income shriveled as financial markets collapsed and consumers stopped spending. Last year, state revenue forecasted for this year, showed an increase of \$800 million. The revised forecast has revenues falling short by \$1.3 billion.

The Dem leadership in both chambers are said to be gearing up for a major tax increase. However, the deficit is so large that a huge increase will not cover the hole. A 1% increase in the income tax will net the state about \$3 billion. Passing any tax increase in this economy will be a tough sell; especially if property tax relief is not included. A capital bill can pass with broad bipartisan support. A huge deficit-ending tax increase will likely have to pass with most Dems on board.

**NEED MORE STRESS IN YOUR LIFE?**

Legislation has been introduced in the House that would allow counties and municipalities to aggregate the purchase of electricity. This means that the Will County Board would have the authority to purchase electricity for delivery to the residents of the county. I worked with the utility industry as a legislator and for Comed as a lobbyist and I have experience on the issue. If you choose to take this path, four things are likely to happen, one good and three bad:



### *THE GOOD*

- A homeowner consumes a small amount of electricity, although lights are on around the clock in my house. If the county buys electricity for *all* of the homes, condos, apartments etc. in the county, you will be able to find a competitive price that will lower most bills. Your constituents will love you.

### *THE BAD*

- After the initial decrease in rates, the only way for rates to go is up. When they do, the first person they will call is you.
- When a storm rolls through the county and a power outage ensues, your phone will ring off the wall.
- Comed has the right to trim trees on your property that grow near their power lines. When their trimming crew hits your block and trims all of the trees in the shape of a poodle, you will need to find a good place to hide.

We may choose not to oppose this, but it could be a nightmare for each of you of biblical proportions.

### **NOTES**

The deadline for bill introduction has just passed in the Senate and soon will in the House. My next report will provide more detail on what we can expect from this session. A few things worth noting:

- Senator AJ Wilhelmi has introduced our version of the new Will County airport with no substantive changes from previous versions. We will support his efforts.
- Representative Kosel is drafting our legislation to authorize counties to impose set back standards for the construction of cell phone transmission towers that are planned near residential developments.
- Our Legislative Agenda approved by the County Board will be printed shortly which I will personally distribute to our delegation.
- Rep. Dugan introduced a bill to extend the program that gives revenue from leased, state-owned property in the airport footprint to Will County local governments.

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***SPRINGFIELD REPORT***

**April 2009**

We have passed the halfway point of the 2009 session. The General Assembly enjoyed a two week Easter break where legislators reconnected with their constituents. My informal, unscientific and small poll of members indicates that Illinoisans have yet to express outrage at all of the possible tax and fee increases. Maybe they are resigned to the inevitability of tax increases or maybe they know that nothing gets done until the last week of May.

**WILL COUNTY LOBBY DAY**

Legislative Committee Chairman Lee Goodsen initiated a "Will County Lobby Day" for the first time. It coincided with the WCGL Lobby Day. Lee was joined by County Board Chairman Jim Moustis, and Board members Steve Wilhelmi, Laurie Smith and Jim Bilotta. They met with Representatives Cross, Senger and Gordon as well as Senators Holmes and Hutchinson. Their message was well-received. This was the largest presence of Will County Board Members in Springfield since I was hired seven years ago.

**CHICAGO WASTE IN WILL COUNTY**

We have been extremely concerned about SB1607 which allows "clean waste" to be dumped into quarries throughout Illinois. This legislation is a high priority of the City of Chicago. I envisioned endless truckloads of debris being dumped in our quarries with no inspections of contents and our ground water eventually becoming contaminated. I was shocked that the environmentalists were not opposed.

The good news is that the county board members mentioned above had the opportunity to meet with the authors of the bill and received a detailed presentation on the effects of this

legislation. The “clean fill” is actually clean. Tests are conducted on each truckload at the time the trucks are loaded. A well documented paper trail exists for each load. The quarry operators will be responsible for another level of testing at their facilities to ensure that no contaminated debris is present. Also present at this meeting was Claire Manning who served as Chairman of the Illinois Pollution Control Board for many years under two Governors. She explained that this waste must be clean enough to withstand Ground Water #1 standards, which are the most restrictive that exist ( this soil must be acceptable to building a residential dwelling on it).

We also learned that there should be a revenue stream to Will County by requiring the quarry owners to apply for a “special use permit”. It appears that we can require them to enter into a host agreement with the county that can include financial considerations.

The bottom line is that this waste is clean and should not be required to go to landfills. It further outlines procedures so that indiscriminate dumping is outlawed. Attached is a fact sheet which provides more detail.

### **CN RAIL MERGER AND US**

Representative Senger has taken up the fight in dealing with the mammoth infusion of rail traffic expected from the CN and EJ & E rail merger. She has introduced HR68 which she is in the process of amending, to focus on the costs to mitigate the effects of increased train traffic. I will be testifying with her before the House Rail Industry Committee. If we are successful, this will be the first resolution on this topic to pass a House Committee.

### **CELL TOWER SITING LEGISLATION**

We were successful in passing HB3718 out of the House. The Telecommunications industry is extremely nervous about this bill. It is a work-in-progress but we have a terrific Senate sponsor, Senator Harmon, and I remain cautiously optimistic.

**SB1607: SOIL STANDARDS FOR QUARRIES, MINES OR OTHER**

**EXCAVATIONS** *Senate Sponsors: Harmon, Millner, Noland, Delgado, Risinger, Munoz, Hunter, Raoul, Martinez, Sandoval, Jones; House Sponsors: Currie, Saviano, Durkin; STATUS: Passed Senate 56-1-1; Now in House*

This bill has been the subject of negotiation between the Chicago Public Building Commission, the Land Reclamation and Recycling Association, and IEPA. It amends the existing clean construction and demolition debris provisions of the Environmental Protection Act, to set standards and procedures for the use of soil and CCDD, in order to protect the public health and environment.

***Bill Defines Soil Standards for Quarries, Mines and Other Excavations<sup>1</sup>***

The bill only deals with soil which is has ***NOT been impacted by a specific pollution event*** (a leaking underground storage tank, a dry cleaning operation or pollution from any other specific industrial or other source.) The bill defines two types of clean or uncontaminated soil: “general fill soil” and “restricted fill soil.”

**General fill soil** would have to meet the strictest TACO Tier I residential guidelines. These guidelines consider inhalation and ingestion values, which have been developed with the expectation of human contact. This soil is safe for placement in a day care or school setting.

**Restricted fill soil** is that soil which can only be accepted at designated CCDD fill operations, specially permitted by the IEPA to ensure protection of the area groundwater. It is expected that these fill operations are large quarries in the Chicago metropolitan area that are reclaiming the land for future development, and that wish to accept soil from the City of Chicago and other longstanding developed communities that may contain historic concentrations of certain background constituents but will nonetheless NOT adversely impact groundwater. The restricted fill soil standard, agreed to by the IEPA, utilizes the most pristine groundwater standard (Class I).

***New Requirements for Quarries, Mines or Other Excavations who Accept Soil***

***Permitted CCDD Fill Operations.*** All quarries, mines or other excavations who accept CCDD are already required to receive permits. This bill puts additional requirements on those facilities, to ensure proper receipt of soil and protection of the public health and environment. The CCDD Fill Operations

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<sup>1</sup> Other excavation does not include holes, trenches, or similar earth removal, or maintenance of a structure, utility, or transportation infrastructure.

can be one of two types: General Fill CCDD Operation; Restricted Fill CCDD Operation.

*General Fill CCDD Operations* must utilize a PID or FID meter at the gate, on each load, and must perform analytical testing of every 2,500 cu/yds of fill soil. Testing and sampling requirements, which may include composite sampling, will be specified in the facilities' IEPA permit.

*Restricted Fill CCDD Operations* would have to utilize an XRF meter on every 500 cu/yd of fill soil and perform representative analytical testing for every 2,500 cu/yd of fill soil. Testing and sampling requirements, which may include composite sampling, will be specified in the facilities' IEPA permit. Additionally, even though restricted fill soil must meet the most restrictive groundwater standards (Class I), Restricted Fill CCDD Operations are subject to additional requirements, such as restriction of property to industrial or commercial use, submission of a performance bond, performance of onsite testing, and providing a cover of general fill soil at closure. Restricted fill sites may also accept CCDD materials which contain paint, subject to testing.

***Soil Only Sites.*** Quarries, mines or other excavations that do not accept CCDD, but accept soil, are also subject to new testing standards, to ensure the soil meets general fill standards.

***Penalty Provisions.*** The bill adds penalties, subjecting violators to administrative fines from \$1,000 to \$3,000, depending on the type and scope of violation.

***Intergovernmental Agreements.*** The bill authorizes the IEPA to enter into an IGA with a state agency, or a city or county with over 3,000,000 population for the purpose of regulating soil reuse within the relevant corporate jurisdictions.

***Why is this bill good public policy?***

- Provides standards for the receipt and placement of soil that has not been subject to a discrete pollution release or event, but nonetheless may contain background contaminants due to anthropogenic and historical causes, like urban dust, vehicle emissions and the Great Chicago Fire.
- Provides certainty to the private and public contractors who make decisions concerning disposal of excavated soil.
- Is economically reasonable and environmentally responsible.

**William F. Mahar, Inc**  
Government Affairs Consultant

***SPRINGFIELD REPORT***

**March 2008**

**GOVERNOR QUINN'S PLAN**

The Guv presented his ideas on how to meet the challenges of a state with an \$11 billion hole in the budget. His outline included a 50% increase in the personal and corporate income tax, as well as an array of other tax and fee increases. It is too early in the process to become focused on what the final outcome may be. However, I have yet to find a legislator from either party that doesn't believe that an increase in some tax/fees is inevitable this spring.

The General Assembly will need to deal with the initial problems various tax increase and budget plans have; a few are as follows:

- The Guv wants to continue the tradition of skipping pension payments, which is bad public policy. The unions are livid over this, as well as the notion that new state employee hires will enjoy fewer pension benefits and a higher employee contribution. The Guv and Majority Leadership are working together to make some pension changes for new hires.
- Municipal governments in Illinois have a 1/10<sup>th</sup> share of all income tax revenue. Quinn's proposal excludes these towns and cities from getting their share of his increase.
- Motor Fuel Tax revenue is another tax that is shared by local units of government. The Speaker's proposed MFT increase is to be used for road improvements with no share to other government entities.
- The Education community has a major problem with the distribution of federal stimulus money. Illinois will realize about \$2 billion and the Guv proposed to use \$1.8 to plug the hole in the budget.
- A plan by the Senate Pres to increase the tax on cigarettes would result in Chicago smokers paying \$10 per pack. Sounds like a good time to quit smoking.

I have to give the Guv credit for laying out a specific plan. Our financial condition has reached the point that Standard & Poors Rating Services has downgraded Illinois' general obligation bonds from AA- to AA. This is in sharp contrast to his predecessor, whose budgets were "dead on arrival" in the General Assembly. Quinn's plan is a legitimate starting point.

## **ISSUES UPDATE**

As we near the halfway point of the spring session, the following are some of the issues that we are tracking:

- Legislative Committee Chairman Lee Goodson has prioritized the problems that result from siting cell towers near residential developments. Last year Rep. Renee Kosel sponsored our bill to give appropriate notification to homeowners and this year she is handling our bill to provide more protections for property owners.
- Chicago has again introduced legislation that will allow them to bypass some siting requirements to dispose of construction debris in quarries. Will County has to be the obvious intended location. Chicago needs this bill to facilitate their construction needs in advance of hosting the 2016 Olympics. We are developing a coalition to oppose their effort.
- Cook County has again introduced legislation that changes the population threshold to secure a greater share in Motor Fuel Tax revenue at our expense. As we approach a population of 1 million we would get a greater percentage distribution. We teamed with DuPage County to defeat the bill.
- A bill has been introduced in each chamber to provide our version of the governance authority for the airport. I believe that the Guv and Majority Leadership are serious about passing a bill this spring. The House bill has about 25 co-sponsors which is fantastic and the Guv included \$100 million in his budget request.
- The State of Illinois will see a shocking \$1 billion increase in its Medicaid costs for next year. It should come as no surprise that they are reworking the methodology for

reimbursing county nursing homes. We will join the other 28 counties that have nursing facilities to minimize the impact of the proposed changes.

### **OTHER POINTS OF INTEREST**

- Rep. George Scully resigned his seat to accept an appointment to the south Cook County sub-circuit judicial district. I found George to be a very sharp guy who attended law school at night, while working as a federal bank examiner during the day. He was replaced by Chicago Heights Mayor, Anthony DeLuca. This district includes the far northeast corner of Will County.
- It may be hard to believe but state statutes need to be amended so that elected officials who have been impeached would not qualify for a state pension. I have not found anyone who opposes this bill.
- Newly elected Rep. Darlene Senger, who replaced former Rep. Joe Dunne, serving the northwest corner of Will County, has introduced a resolution that confronts the mass infusion of more trains caused by the CN rail merger. She wants Congress to pick up the tab to finance the at-grade rail crossing improvements that this merger will require. We support her effort.

### **SO HOW BAD IS IT?**

If you stopped paying your electric bill, would your power be turned off? What if your amount owed was \$2.5 million? This is what the State of Illinois owes City Water Light & Power, the Springfield utility that supplies power to the state buildings. Needless to say, they are not happy campers.

The General Assembly will be adjourned for the first two weeks of April and I am sure that they will be getting plenty of constituent input regarding the proposed tax and fee increases.



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**SPRINGFIELD REPORT**

October 2009

**METRO COUNTIES**

Legislative Committee Chairman Lee Goodson and I attended the pre-veto session meeting of METRO Counties. I describe the mood of the attendees as unusual in that there were strong expressions of discontentment with the Gov and the General Assembly. METRO President Suzie Schmidt and Lake County Board Chairman said that she was running for the State Senate because she has had it with the mess in Springfield. Legislators continue to underfund mandated programs and continue to pass more unfunded mandates. Winnebago County Chairman Scott Christiansen said that his county collects over \$3 million in fines for the State. His Board is considering holding this money until the state funds the mandates such as probation services. The "guts award" goes to Madison County who confronted the probation services mandate head on. The State is supposed to reimburse all counties for their costs for this program 100%. After all, this is a *STATE* program! As of the current budget, they are shortchanging counties by about \$100 million. Madison County Chairman Alan Dunston said that they will only fund enough probation officers by the amount of money that they get from the State. Consequently, they laid off 31 officers. The chief judge warned that parolees for serious crimes such as drug offenses, child abuse, home invasion and more would go unmonitored. The media took the county's side and blistered the General Assembly and Governor. He called on other County Boards to show the same "guts"! Needless to say, this was a hell of a meeting.

**DUPAGE CHIEF JUDGE**

The Chief Judge of the DuPage circuit attended the METRO meeting and provided a valuable suggestion on resolving the underfunding of probation services. We have been working with the Illinois Supreme Court to get them to raise court bond limits and probation fees in order to fully fund this program. Judge Culliton also serves on the Supreme Court task force that has been studying this for the

past several years. He pointed out that the General Assembly gave the Supremes the authority to set penalty amounts in 1963. In his opinion, only the General Assembly has this authority under the Illinois Constitution. Therefore, it is his recommendation that we draft legislation to repeal this law and give the authority back to our legislators. This made sense to everyone in the room. Will the Supreme Court go along with this attempt to strip them of their power? The Judge thinks that they will!

### **VETO SESSION PREVIEW**

The fall Veto Session will begin on October 14 and will last less than two weeks. The purpose of this meeting is for legislators to respond to the Guv's actions on bills that passed during the spring session. I think that this will be less about bills and more about the budget mess.

There remains a major problem with the much touted capital bill. The State has yet to sell any bonds that will provide the funding for the promised projects. The gaming Board has not promulgated the rules to implement the video poker revenue stream. Also, many of Southern Illinois' conservative counties are choosing to opt out of this form of gaming. The result is that there is nowhere near the revenue needed to sell bonds to support the \$31 billion capital bill. Legislators have already promised these projects and this will be extremely embarrassing if not resolved before next years election.

The General Assembly left Springfield in May without plugging the huge hole in the State's budget. It continues to grow with costs increasing (think pensions and Medicare) and revenues shrinking. The payment cycle for state payments to vendors is now at 157 days and could grow to *400 days!* Tell me, what school district or social services provider can afford to go for over a year before getting paid by the State? Consequently, they will have no other choice but to march on Springfield. This will get really ugly real soon. A preview of what is to come will be on October 14 when thousands of college students will descend on Springfield to protest the elimination of the MAP Program. These students need these monetary grants or they will not be able to enroll for the Spring semester.

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Government Affairs Consultant

***SPRINGFIELD REPORT***  
**September 2009**

As summer becomes a memory, members of the Illinois General Assembly are occupying their time by gearing up for next year's election season. A concern is whether the past six years of gridlock has alienated the electorate. Who knows? In preparation, members are raising money and I am occupying my time by attending many. Some of the feedback that I hear at these events is as follows:

- No members are looking forward to dealing with next year's state budget. The deficit has grown to such an incredible amount that no new revenue source (including a giant income tax increase) will plug the hole.
- The recently passed capital bill offers counties the opportunity to opt out of the video gaming portion. Apparently the movement to exclude individual counties has not swept through southern Illinois. Members remain unconcerned with the length of time that the Gaming Board is taking to promulgate rules for video poker. They believe that if cleanup language is needed, it can be easily done in the fall veto session. This will give them ample time to attend groundbreaking ceremonies for in-district capital projects prior to the November election.
- The budget passed in May gave the Guv large blocks of money to plug holes as he sees fit. It is clear that the line item for probation services as passed drastically underfunds this mandate. The shortfall could be as high as \$30 million and counties will have to make up the difference from their general funds. We will have to see if the Guv adds money from his discretionary pot to lessen the blow.
- Joliet Junior College (a client of mine) was successful in passing a referendum last spring. This new money added to the revenue received from the capital bill has construction booming at the west Joliet campus. The design for the new student center is fabulous and will rival many four year colleges.

## **RECENT BILL SIGNINGS**

The following bills have been signed into law by the Guv. Please note that HB3718 was an initiative of the Legislative Committee:

- **HB3718 (PUBLIC ACT 96-696)** This legislation authorizes county boards to host a public hearing for the siting of a new cell tower at a county board committee meeting. The law previously required this hearing to be at a county board meeting. The change ensures that the public gets ample opportunity to voice their concerns.
- **HB146 (PUBLIC ACT 96-227)** This bill empowers county boards to increase the circuit court filing fee to support county law libraries.
- **HB347 (PUBLIC ACT 96-237)** This bill authorizes counties to use property taxes collected for detention purposes to pay for detention services by contract.
- **HB585 (PUBLIC ACT 96-170)** This legislation raises the permissible contract no-bid threshold for county contracts from \$20,000 to \$30,000.

## **UPCOMING EVENTS**

Senator AJ Wilhelmi golf outing September 14 at Big Run Golf Course, Lockport.

Representative Tom Cross fundraiser September 16 at the Italian-American Hall Of Fame, 1431 West Taylor Street, Chicago 5-7:30 pm.

For more info, please call me.

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**SPRINGFIELD REPORT**

July 2009

**FIREWORK AT THE COUNTY**

If you did not get your fill of fireworks during the 4<sup>th</sup> of July weekend, then you may want to be in the County Board Room on July 8. The Legislative Committee will be holding a hearing on the merits of SB1607. As I have previously reported, this legislation would allow Chicago to dump its waste in our quarries. This is a high priority of Mayor Daley's. Will County is the closest County to the City and would be the most cost-advantageous for Chicago to get rid of their "clean fill". Our concern has been the potential contamination of our ground water as a result of this unregulated and uncontrolled dumping.

The invitees for this show are extensive. In one corner are the proponents of the bill as represented by the quarry owners and their consultant, former Illinois Pollution Control Board Chairman Claire Manning. In another corner is the opposition led by Will County and Waste Management. In a third corner is the Illinois EPA and the Environmentalists who have remained neutral. In the final corner is the Office of the Attorney General who slowed down this runaway freight train in the House (see attached position paper) and saved us from all but certain defeat. As you can see the ring is full.

All County Board members are invited to attend and the information for the hearing is as follows:

When: Wednesday, July 8, 2009  
Where: Will County Board Room  
Time: 6PM to 8PM

There cannot be a better drama on TV than what is expected at this meeting.

### **WHEN IS A BUDGET MEANINGLESS?**

I have learned a lot in the last six years. All of my questions on “how government should NOT operate” have been answered. Things that have happened in Springfield are unprecedented. I cannot remember the last “balanced budget” that was passed by the General Assembly. We are currently operating on a partial budget which defies the Illinois Constitution. Depending on who you talk to, the deficit for the fiscal year that started July 1 is between \$7 to 9 billion. Several months ago, I reported to you of a \$12 billion hole.

I may not be the brightest bulb on the shelf, but I can still add and subtract. The State has gotten an infusion of federal stimulus money which has temporarily lessened the hole. By next year, we will be back to where we were before, and probably much worse. Attached are two charts. One is the Guv’s revenue and expenditures projections from last March. The second is a list of States with the worst budget hole. We are #3 and well on track to leap to #2.

It makes no difference what budget is in place. The fact of the matter is that the Illinois Comptroller is now paying bills that he received in *JANUARY*. Revenues to the State of Illinois are down 25% from 2008, which was a bad year. Our expenditures, even if frozen, will never match up to the money coming in.

When will it end? When the people of Illinois have had enough. There is one “sacred cow” remaining: Elementary & Secondary Education. When that funding starts to shrink and payments are delayed by 6-8 months, the local schools systems will start to crank out hate mail to their legislators and hold press conferences announcing giant property tax increases. When this happens, find a bunker because it will get real nasty real fast.



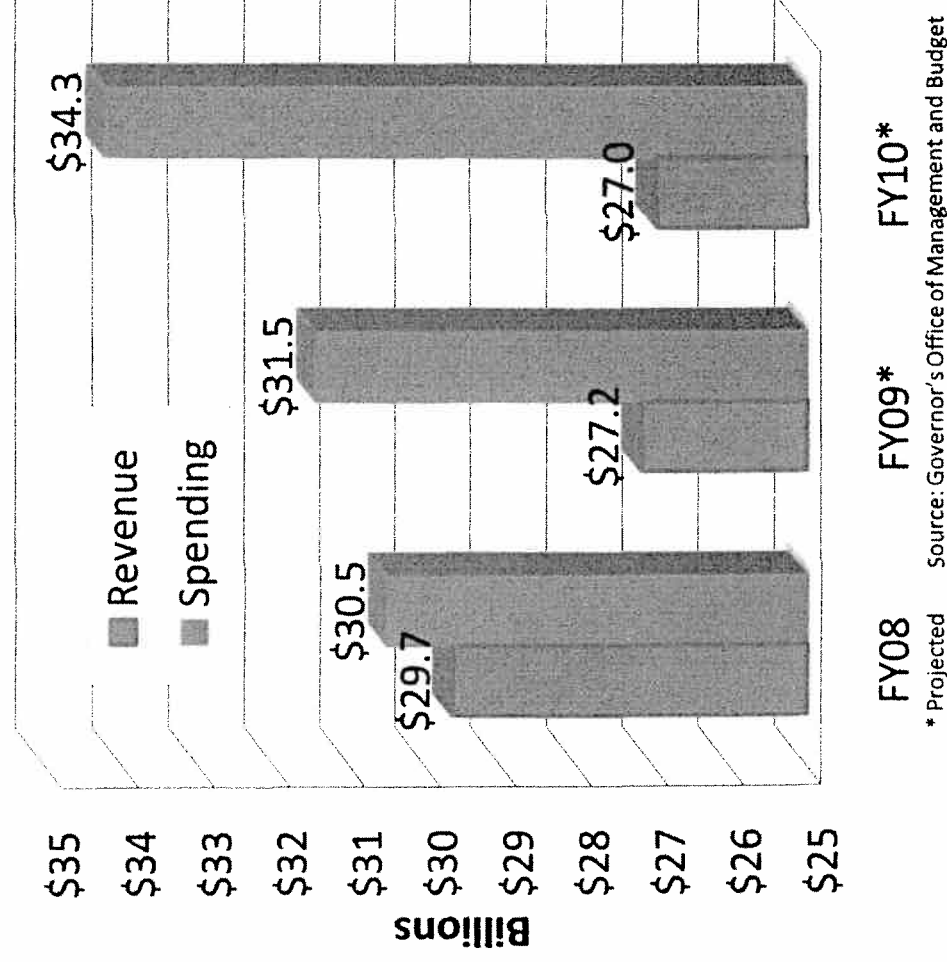
Reform. Responsibility. Recovery.

Governor Pat Quinn, State of Illinois

Where We Stand

## REVENUE / SPENDING PROJECTIONS

- Revenue is expected to decrease by \$2.5 billion in fiscal year 2009 (from fiscal year 2008), and is projected to continue this decline through most of fiscal year 2010.
- Increases in Medicaid, social services, employee benefits, and other required costs mean that spending would be \$34.3 billion in fiscal year 2010 without reform and cuts.



**This creates a projected  
\$11.6 billion deficit  
through fiscal year 2010.**



Reform. Responsibility. Recovery.

Governor Pat Quinn, State of Illinois

Where We Stand

## HOW ILLINOIS COMPARES

### Combined FY 2009 and FY 2010 Deficits from 10 Largest States

State	FY 2009 and Projected FY 2010 Deficit
California	\$39.6 billion
New York	\$15.4 billion
Illinois	\$11.6 billion
Florida	\$8.1 billion
North Carolina	\$5.3 billion
Georgia	\$3.8 billion
Texas	\$3.5 billion
Ohio	\$3.2 billion
Pennsylvania	\$2.3 billion (FY09 only)
Michigan	\$1.8 billion

Source: Center for Policy and Budget Priorities "State Budget Troubles Worsen" February 10, 2009 and Governor's Office of Management and Budget

[www.budget.illinois.gov](http://www.budget.illinois.gov)



**TO: Jack Unzicker**

**FR: Kathy Saltmarsh**

**RE: SB1607 – comments from our environmental division**

**Date: May 29, 2009**

### **INTRODUCTION**

Current law (415 ILCS 5/3.160(b)(i)) provides that, to the extent provided by federal law, clean construction or demolition debris ("CCDD") used as fill material below the point of highest elevation immediately adjacent to the fill area (the "used as fill below grade" exception) is not waste. Clean construction or demolition debris is generally defined in 415 ILCS 5/3.160(b) to include "uncontaminated" soil, bricks, stone, concrete without protruding rebar and reclaimed asphalt pavement that is generated during construction and demolition activities. The intended purpose of this exception is allow CCDD to be used to fill-in quarries, surface mines and other excavated areas. The regulated community has complained that because the term "uncontaminated" is not defined and is subject to various interpretations, assuring compliance with the law is difficult if not impossible.

As you know, on March 4, 2009, we attended a meeting hosted by Rep. Holbrook, with Rep. Fortner, to discuss the various "dirty dirt" bills. After some discussion, Rep. Holbrook stated he thought the state needed to be more proactive in its approach. We concurred at the time and still maintain that position. Of the several bills under consideration at the time, it was our opinion, that the platform most likely to accomplish a proactive approach would be based upon the platform provided in HB 346. HB346 was Waste Managements' attempt to require meaningful regulation of the mine and quarry sites being used across Illinois to dispose of Clean Construction and Demolition Debris. Obviously, the approach incorporated in HB 346 did not

garner legislative support as that bill died and SB 1607 became the leading contender for addressing the disposal of these materials.

SB 1607 attempts to address the disposal of “clean” soils generated from construction and demolition activities by providing three types of fill material based upon the presence of specified levels of contaminants using standards contained in 35 Ill. Adm. Code Part 742, the Tiered Approach to Corrective Objectives (“TACO” standards) a definition of what is “uncontaminated” soil generated from construction or demolition activities.

Three types of newly-defined fill soils are proposed in this Bill:

1. “General Fill Soil” defined in new Section 3.202 as soil generated from construction or demolition activities, which does not exceed the most stringent Tier 1 TACO exposure route values adopted by the Pollution Control Board. General Fill Soil is considered to be uncontaminated.
2. “Restricted Fill Soil” is defined in new Section 3.442 as soil generated from construction or demolition activities that does not exceed the Class I Soil Component of the Groundwater Ingestion Route Values under TACO.
3. “Painted Construction or Demolition Debris” is defined in new Section 3.160(c) as CCDD that contains paint but is otherwise uncontaminated. Further, painted construction or demolition debris may be considered CCDD if it is uncontaminated except for pavement markings that conform to IDOT specifications.

SB 1607 has far less protections than did HB 346 with regard to groundwater monitoring at the disposal sites and chain of custody/manifest type requirements at sites allowed to accept “clean” construction or demolition generated soil.

#### CONCERNS

While there is no objection to having the term “uncontaminated” defined in some manner,<sup>1</sup> this Bill’s approach to the issue creates a regulatory scheme that we believe results in inadequate protections for the environmental and the public’s health, safety and welfare. The primary concern is that contaminated materials will almost assuredly be added to the State’s groundwaters since the mines, quarries and other excavations are unlined and often involve fractured geological surfaces.<sup>2</sup> The Bill fails to provide the enforcement tools reasonably necessary (*e.g.*, adequate testing, groundwater monitoring, and recordkeeping) to hold those generators or fill operators -- responsible for placing or accepting contaminated fill materials -- accountable and responsible for remedying any harm to the groundwater caused by their activities.

Specific concerns include:

1. There is no meaningful requirements placed upon the generators of these materials, other than Phase I environmental assessment requirements, to verify and document that the material intended for use as fill material is indeed uncontaminated - however defined.
2. Owners and Operators of these fill operators are not required to monitor the groundwater around their facilities.
3. The screening requirements placed upon the Owners and Operators to screen incoming soils are inadequate. The Bill currently requires that only 1 truckload in every 50 incoming truckloads must be screened with x-ray fluorescence spectroscopy instrument and

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<sup>1</sup> Although the use of TACO standards in defining the various types of fill material for these types of operations is troubling as the TACO standards themselves expressly provide that they are not suitable or intended to be used in conjunction with landfill operations.

<sup>2</sup> It should be remembered that this Bill perpetuates the inclusion of reclaimed asphalt pavement as CCDD, even though asphalt is comprised largely of polynuclear aromatic hydrocarbons – a class of chemical constituents that are characterized as known carcinogens under the Board’s TACO regulations.

that one 1 truckload in every 250 incoming truckloads must be tested for all contaminants of concern. (Section 22.51(d)(5)(A) & (B)).

4. Allowing intergovernmental agreements to be utilized as provided in Section 415 ILCS 22.54 opens the door for inconsistent approaches to disposal of these fill materials. Given the fact that poorer urban communities have legitimate environmental justice concerns, there is a need to assure a uniform approach for the disposal of these materials.

#### **POSSIBLE AREAS FOR AMENDMENT**

We would like to see the screening and testing requirements in this Bill tightened and augmented in the following areas:

1. Generators of these fill materials should be required to provide testing results that demonstrate that the material is indeed properly classified.

2. Owners and operators of these sites should be required to check all incoming loads for documentation of testing results to verify that the wastes are properly classified before accepting the load at the fill site.

3. Owners and operators of these sites should be required to monitor the groundwater adjacent to their sites at regular intervals and should be required to report the results of that monitoring to the Agency.

4. Owners and operators of these sites should be required to provide adequate financial assurance to insure that any groundwater contamination that occurs as a result of their operations will be remedied.

We believe adequate amendatory language to address these concerns could be gleaned directly from SB 367.

**William F. Mahar, Inc**  
Government Affairs Consultant

## **SPRINGFIELD REPORT**

**June 2009**

### **SO WHAT HAS CHANGED?**

The General Assembly reached its May 31 adjournment date without finalizing a budget. I, like many Illinoisans, believed that a new Guv and a significantly better atmosphere would produce better results. It seems like nothing has changed. The "stop-gap" six-month budget still has a \$12 billion hole. The scary part is that the deficit grows geometrically. The next fiscal year spending will have pressures from escalating union contracts, increase health care costs for employees, increased Medicaid costs, skipped state pension contributions while state revenues continue to fall. We could be facing a \$16-18 billion hole by January 1. This means that an enormous tax increase may *not* solve the problem. Any entity in Illinois that gets funding from the state or has money *collected* for them by the state could get hurt next year. Not good!

### **A CAPITAL BILL**

The House and Senate passed a capital bill. It will be sent to the Guv after the budget mess becomes clearer. The funding mechanism includes legalizing video poker, of which counties will realize 1/6<sup>th</sup> of the revenue generated in their area. A second capital bill, which includes member initiatives (pork) has also passed, and will be signed after the budget is agreed to. We should be the beneficiary of more road money from both bills.

### **CHICAGO DEBRIS IN OUR QUARRIES**

We have been concerned about legislation introduced by the City of Chicago that allows "clean fill" to be dumped in quarries in Illinois without the protections that would be required for a landfill. As I reported last month, several Will County Board members and I had the opportunity to receive a presentation by the proponents of the bill. After that meeting, I felt considerably more comfortable with the legislation. Will County Board Chairman Jim Moustis remained adamantly opposed. He believed that the protections that were

claimed were not in the bill. Upon further review, he is absolutely correct. The City of Chicago says that the debris would be tested for each truck load at the point of origin, that the county had local zoning authority (special use permit process), that state testing would be done at the quarry and that the county would be able to implement a fee on the quarry for its use as a landfill. It turns out that none of these points are in the bill.

It is recognized by the Illinois EPA that the water table under Joliet is the shallowest in Illinois. There is no guarantee that our ground water will not be contaminated by filling our quarries with Chicago waste. The surprising part of this issue is that the EPA and the environmental community have yet to take a position on this issue. Fortunately for us, Attorney General Lisa Madigan has raised concerns and the bill was held in the House. It passed the Senate with only one *no vote*. Chicago will be back and we need to be prepared.

### **CELL TOWER BILL**

Our legislation that allows us to hold a public hearing at a county board committee when reviewing a permit for the construction of a cellular phone transmitting tower has passed both chambers. It wasn't easy. The telecom industry has a powerful lobby that do not like their part of state statutes amended. We finally agreed on language and the bill passed the House without opposition. When it got to the Senate, an amendment was added that eliminated all court litigation involving the expansion of O'Hare International Airport. At this point, I thought we were doomed. This extremely controversial issue turned out to be a nightmare for the sponsor and he withdrew the amendment. The bill passed in its original form. Nothing is ever easy in Springfield.

### **FREEDOM OF INFORMATION ACT**

Legislation passed changing the FOIA rules that allows more access to public records. The legislation applies to all Illinois governments, state and local. This was done in reaction to the ethics lapses as seen in Springfield. The problems with ethics in Springfield had nothing to do with local governments and the General Assembly exempted themselves. What is wrong with this picture?

**William F. Mahar, Inc**  
Government Affairs Consultant

**SPRINGFIELD REPORT**

**January 2010**

The beginning of a new year reminds me of my college days. I looked forward to school: renewing old friendships, promising my parents that I would get straight "A"s and immersing myself in college life. The spring session of the General Assembly always starts the same way. I have established many friendships with members as well as staff and we all pledge to work together to resolve all of the state's problems. In spite of our hard work, by the last week in May, the financial mess that consumes our state will probably be worse, we will look like zombies walking the halls of the Statehouse and we will be counting the seconds before we can escape and return home.

**STATE OF THE STATE ADDRESS**

The year begins with the Guv delivering a "State of the State" address to a joint session of the General Assembly. The Illinois Constitution requires this speech but it doesn't require that it make sense. This is the first time in my 26 years that I saw a Governor "wing it". He spoke for about 75 minutes and restated his accomplishments. He devoted less than two minutes to the financial crisis. Here are some of my observations:

- The Guv wants the General Assembly to resolve the budget deficit by enacting "tax reform". He believes that 5 million Illinoisans can get tax *decreases* and yet enjoy a balanced budget. He spent a substantial part of his speech detailing state programs that should *not* be cut (which makes up most of our annual expenditures). Most members of the General Assembly that I talked to or heard in the media interviews said that this "dog won't hunt". In the Guv's defense, he has a primary in a few weeks and he will return to the General Assembly to deliver his budget address in a month or so.
- He continues to push for a change in the Illinois Constitution that would give citizens the right to put a binding ethics referendum on the ballot and have it apply to ***any local***

**government.** This means that any resident of Will County, for example, could draft their own ethics reform and put it on the ballot and have it apply to any school, town, sanitary district etc. If it passes, it becomes law. I watched the Senators and Reps from Chicago as he announced this initiative and I saw the blood drain from their heads. This is a dead issue.

- He gave a nice bio on the life of Jesse White, stated all state parks are open (not for long), said that there were fewest traffic fatalities in Illinois since 1921(the unemployed drive less?), and said that we need to invest in Education (but not pay what we owe them).

The fact of the matter is that our state budget is probably the worst of any state other than California. The deficit reflects nearly \$4 billion in unpaid bills which will grow to over \$5 billion by June 30, 2010. The state owes local school districts over \$1 billion, universities and community colleges \$775 million and municipalities are waiting on \$478 million. The balance of the deficit is owed to private sector entities that provide services to meet our social service needs and much more. The sad reality is that a major income tax hike will not come close to balancing the budget. The only thing preventing a total collapse is more state borrowing. This is not a good year for legislators to be standing for re-election.

## **METRO COUNTIES**

The first meeting of the year is when member counties present their legislative plans for the spring session. Unfortunately, it was scheduled on the day of our worst winter storm of the season. Our Agenda 2010 has been drafted and will be presented to you for your consideration in the near future. For all of the reasons mentioned above, I anticipate that very little will be accomplished in Springfield this spring. My hope is that we can escape from getting damaged anymore. Keep in mind that state revenue from the income tax is down \$415 million and the sales tax is down \$460 million for the first half of the fiscal year. Revenue sources dedicated to local governments have not been diverted to plug the state budget...yet.

This may be a good year for more Will County Board members to consider coming to Springfield for our annual Lobby Day. I will advise you of the date when it is scheduled.



**William F. Mahar, Inc**  
Government Affairs Consultant

**SPRINGFIELD REPORT**

February 2010

**BUDGET MESS**

The Illinois Constitution requires that the General Assembly pass a "balanced budget" to cover the next fiscal years' spending. The truth of the matter is that they haven't adopted a "balanced" budget since Jim Edgar was Governor. The problem today is that revenue and spending are so far out-of-whack that Albert Einstein couldn't come up with a budget document that makes any sense. I predict that the legislature will leave town handing off a spending plan to Governor Quinn that gives him broad power to release money to plug whatever hole is causing him the biggest headache. I hope our high school civics classes are not using Illinois as an example of good government.

Those members who are on the ballot in November have a serious problem. Elementary and secondary schools from around the state are starting to scream. This week the Urbana school system said that the state owes them \$3 million and they have begun layoffs, program cuts and they are blaming Springfield. This week university presidents said that they want to sell bonds to cover operating expenses and they are blaming Springfield which owes them *hundreds of millions of dollars*. Parents of students are upset and legislators are getting the picture about who is to blame. This is not a pretty picture.

**WILL COUNTY AGENDA 2010**

The budget may be a mess but individual legislators are focusing on their own initiatives. So are we. The following is a brief update on our issues:

- **SB1607** This is the bill that would allow Chicago to dispose of their waste in our quarries. The legislation, which passed the Senate, last year, remains in the House Rules Committee. At the urging of the bill sponsor and House Majority Leader, the Attorney General is negotiating with the proponents.
- **SB1346** This is the bill providing the governance mechanism for the proposed Will County Airport. The bill

passed Committee in the Senate last year and was referred to the Rules Committee after adjournment. This week, it was placed on the Senate calendar on 2<sup>nd</sup> reading.

- **HB4877** This legislation is a joint effort between Will and Lake Counties. It would grant complete local control over the siting of telecommunications broadcast towers. It was introduced on our behalf by Rep. JoAnn Osmand. Rep. Osmond is the House Repubs point person for the telecom act rewrite which sunsets this year. Needless to say, the phone providers are not happy campers.
- **HB5671** This Will County bill that requires municipalities who are force annexing property to notify the appropriate county prior to the completion of the annexation

I am looking forward to delivering our 2010 Agendas to our legislative delegation as soon as they are printed.

## **FREEDOM OF INFORMATION ACT**

The purpose of the Freedom of Information Act was to ensure citizens and taxpayers that they could obtain government documents that were not otherwise available in the media. In response to the Blagojevich debacle, the FOIA statute was expanded. The bill that passed last year at the request of Attorney General Madigan has proven to be flawed. Many units of local government have besieged their legislators to either repeal the bill or make significant changes. Some of their concerns are as follows:

- All requests for information/documents must be accommodated within 5 days. Smaller governments do not have the staff to drop everything and comply with this timetable.
- Unions representing school personnel have already passed a bill exempting personnel records. It seems to me that employee performance evaluations are private and should not be disclosed. Attorney General Madigan disagrees.
- Information regarding names of consumers who are accessing government services must be disclosed. Businesses want the names of individuals who are using park district programs so that they can solicit. This does not seem in the spirit of the law to me.

The Attorney General is resisting any changes to the law.